

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7049

BILL NUMBER: HB 1316

NOTE PREPARED: Jan 7, 2010

BILL AMENDED:

SUBJECT: Use of Engineered Lumber.

FIRST AUTHOR: Rep. Michael

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Fire Prevention and Building Safety Commission.* This bill requires, after June 30, 2011, a newly constructed Class 1 or Class 2 structure to have a placard affixed to it that indicates whether the structure uses engineered lumber. It requires the Fire Prevention and Building Safety Commission to adopt rules creating requirements governing (1) the design of a placard that identifies engineered lumber and the location in the structure; and (2) the location of the placard.

Local Units Required to Issue Placards. The bill requires a city, town, or county to issue placards. A building permit may not be issued unless the applicant is issued a placard from the unit. The bill prohibits a unit from approving a structure on final inspection or issuing a certificate of occupancy, unless a placard is affixed to the structure. The bill requires a local agency issuing a building permit to send written notification to the local fire department that has jurisdiction in the area where the structure is located of the following: (1) The street address of the property. (2) The name of the township and county in which the structure is located. (3) The types of engineered lumber used. (4) The location of the engineered lumber. The bill allows a unit to adopt an ordinance regulating the installation and maintenance of placards on structures and providing a civil penalty, if the ordinance does not conflict with state law.

Emergency Response. The bill requires the chief of the fire department or the chief's designee to (1) provide the information to the local emergency dispatch center; (2) post the information for all emergency personnel; (3) provide the information to any fire department providing mutual aid; and (4) add the structure to the inspection file. The bill requires the local emergency dispatch center to maintain information on each property. The dispatcher must notify responding units of the information.

Owner's Responsibility. An owner must maintain a placard affixed to the structure for the life of the

structure.

Effective Date: Upon passage.

Explanation of State Expenditures: *Fire Prevention and Building Safety Commission.* This bill requires the Commission to adopt rules creating requirements governing the design of a placard that identifies engineered lumber, the location in the structure, and the location of the placard. The Department of Homeland Security (DHS) provides staffing for the Commission. The adoption of rules are within the DHS's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: *Civil Penalty.* In addition to fees, a violator is liable for a civil penalty of not more than \$100 per day during the period beginning 10 business days after the owner receives written notice of the violation from the unit and until the date the violation is corrected. A penalty imposed under the ordinance may not exceed \$3,000 per structure per year. The State Board of Accounts recommends that civil penalties be deposited in the general fund.

Explanation of Local Expenditures: *Local Units Required to Issue Placards.* The bill requires a city, town, or county to issue placards. The local agency must send certain information to the local fire department. The bill allows a unit to adopt an ordinance regulating the installation and maintenance of placards on structures and providing a civil penalty, if the ordinance does not conflict with state law. The effect that the proposal will have on local units is indeterminable. Local units must charge a fee to recoup production costs of the placards.

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Explanation of Local Revenues: *Local Units Required to Issue Placards.* Local units must charge a fee to recoup production costs of the placards. The amount of revenue that will be generated by the fee is indeterminable and could vary by locality.

State Agencies Affected: DHS.

Local Agencies Affected: Local units.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.